

Gower Street Estates Limited
Financial statements
For the year ended 31 March 2004



Company No. 3355588

Company information

Company registration number	03355588
Registered office	Yeowart & Co 31 Farr Hall Drive Lower Heswall Wirral CH60 4SH
Directors	C Stananought G M Cook D Crone J F Hendry E J Renshaw S A Grindrod C P Chislett
Secretary	R A Yeowart
Solicitors	DLA LLP India Buildings Water Street Liverpool L2 0NH
Property managers	C B Richard Ellis Castle Chambers 43 Castle Street Liverpool L2 9SH
Auditors	Grant Thornton UK LLP Registered Auditors Chartered Accountants 1st Floor Royal Liver Building Liverpool L3 1PS

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Report of the directors

The directors present their report together with the audited financial statements for the year ended 31 March 2004.

Principal activities

The company is limited by guarantee. The company is principally engaged as property owners and managers.

Business review

There was a loss for the year after taxation amounting to £40,062 (2003: profit £3,864).

Directors

The present membership of the Board is set out below. All directors served on the Board throughout the year.

C Stananought
G M Cook (Alt: A Jones)
D Crone
J F Hendry
M J Taylor (resigned 25 November 2004)
E J Renshaw
S A Grindrod (Alt: A Beard)
C P Chislett

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

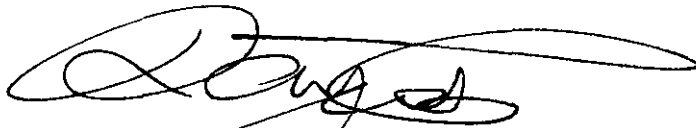
The directors are responsible for keeping proper accounting records, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

On 1 July 2004, the Grant Thornton partnership transferred its business to a limited liability partnership, Grant Thornton UK LLP. Under section 26(5) of the Companies Act 1989, the directors consented to extend the audit appointment to Grant Thornton UK LLP from 1 July 2004.

Grant Thornton UK LLP offer themselves for reappointment as auditors in accordance with section 388 of the Companies Act 1985.

BY ORDER OF THE BOARD

A large, stylized handwritten signature in black ink, appearing to read 'R A Yeoward', is written over the printed name and title.

R A Yeoward
Secretary
16 December 2004

Report of the independent auditors to the members of Gower Street Estates Limited

We have audited the financial statements of Gower Street Estates Limited for the year ended 31 March 2004 which comprise the principal accounting policies, profit and loss account, balance sheet, statement of recognised gains and losses and notes 1 to 10. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the report of the directors and the financial statements in accordance with United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read other information contained in the directors' report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

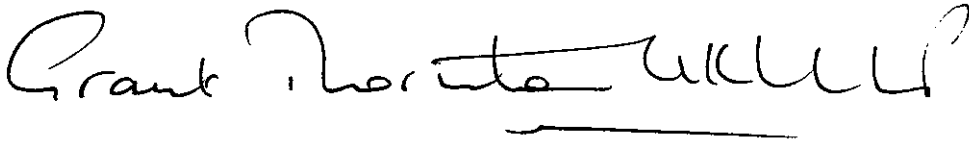
Basis of opinion

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 March 2004 and of its loss for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in black ink, appearing to read 'Grant Thornton UK LLP', with a horizontal line underneath.

**GRANT THORNTON UK LLP
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS**

LIVERPOOL
16 December 2004

Principal accounting policies

Basis of preparation

The financial statements have been prepared in accordance with applicable Accounting Standards and under the historical cost convention, except that they have been modified to include the revaluation of fixed assets.

The principal accounting policies of the company have remained unchanged from the previous year and are set out below.

Turnover

Turnover is the total amount receivable by the company in the ordinary course of business with outside customers for goods supplied as a principal and for services provided, excluding VAT.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at valuation. Minor items of capital expenditure are charged to the profit and loss account as incurred.

Profit and loss account

	Note	2004 £	As restated 2003 £
Turnover	1	1,055,927	1,093,812
Cost of sales		<u>(1,097,848)</u>	<u>(1,093,812)</u>
Operating loss		(41,921)	-
Net interest	2	<u>1,859</u>	<u>3,864</u>
(Loss)/profit on ordinary activities before taxation	1	(40,062)	3,864
Tax on profit on ordinary activities	4	-	-
(Loss)/profit for the financial year retained	8	<u>(40,062)</u>	<u>3,864</u>

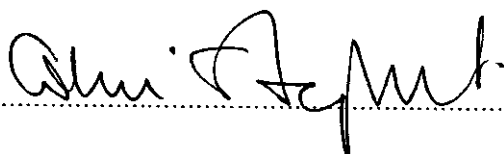
The accompanying accounting policies and notes form an integral part of these financial statements.

Balance sheet

	Note	2004 £	2003 £
Tangible fixed assets	5	1,200,000	-
Current assets			
Debtors	6	675,452	768,607
Creditors: amounts falling due within one year	7	(628,052)	(681,145)
Net assets		<u>1,247,400</u>	<u>87,462</u>
Capital and reserves			
Profit and loss account	8	47,400	87,462
Revaluation reserve	8	<u>1,200,000</u>	-
		<u>1,247,400</u>	<u>87,462</u>

The financial statements were approved by the Board of Directors on 16 December 2004 and signed on its behalf by:

C Stananought



Director

The accompanying accounting policies and notes form an integral part of these financial statements.

Statement of total recognised gains and losses

	2004 £	2003 £
(Loss)/profit for the financial year	(40,062)	3,864
Unrealised surplus on revaluation of fixed assets	1,200,000	-
Total recognised gains and losses for the year	<u>1,159,938</u>	<u>3,864</u>

The accompanying accounting policies and notes form an integral part of these financial statements.

Notes to the financial statements

1 Turnover and (loss)/profit on ordinary activities before taxation

The turnover and (loss)/profit on ordinary activities before taxation is attributable to one activity, which is carried on in a single geographical market.

The (loss)/profit on ordinary activities before taxation is stated after:

	2004	2003
	£	£
Auditors' remuneration	5,000	4,084

2 Net interest

	2004	2003
	£	£
Interest receivable	1,859	3,864

3 Directors and employees

There were no employees during either year.

The directors did not receive any remuneration during either year.

4 Taxation

There is no tax charge for either year. The 2003 profits were taxable at 0%. In 2004, the company has generated unrelieved tax losses of approximately £40,000 which are available to offset against future taxable trading profits.

5 Tangible fixed assets

The company has a freehold interest in the Albert Dock estate. This was transferred to the company at Nil cost. At 31 March 2004 the property was revalued by Messrs Hitchcock Wright, Chartered Surveyors. The basis of the valuation was open market value. The surplus of £1,200,000 has been transferred to the revaluation reserve.

6 Debtors

	2004	2003
	£	£
Prepayments and accrued income	24,046	10,655
Due from managing agents	651,406	757,952
	<u>675,452</u>	<u>768,607</u>

7 Creditors: amounts falling due within one year

	2004	2003
	£	£
Accruals and deferred income	558,291	681,145
Social security and other taxes	14,337	-
Other creditors	55,424	-
	<u>628,052</u>	<u>681,145</u>

8 Shareholders' funds

	Profit and loss account	Revaluation reserve	Total
	£	£	£
At 1 April 2003	87,462	-	87,462
Loss for the financial year	(40,062)	-	(40,062)
Surplus on revaluation of fixed assets	-	1,200,000	1,200,000
At 31 March 2004	<u>47,400</u>	<u>1,200,000</u>	<u>1,247,400</u>

The restatement of the profit and loss account for 2003 represents the inclusion of insurance premiums paid and recharged. There is no effect on the profit for the year.

9 Capital commitments

The company had no capital commitments at 31 March 2004 or 31 March 2003.

10 Contingent liabilities

There were no contingent liabilities at 31 March 2004 or 31 March 2003.